

TRADE ISSUES

Taiwan Set for WTO Membership in January

After 12 years of effort, Taiwan will become a member of the World Trade Organization (WTO) once the WTO receives notification of the ratification of the agreement by Chinese Taipei's Parliament. The island will have little trouble meeting the requirements of membership, thanks to the massive economic liberalization that has been carried out over the past year, but the needed adjustments will nevertheless have considerable impact on the domestic economy--especially at a time when it is already mired in recession.

The government has pledged to cut the average tariff on agricultural products from 20.02% to 14.01% in the first year after it joins the WTO, and further to 12.9% by 2005. The existing ban on imports of rice--the only food item subject to such a prohibition--will have to be lifted and replaced by a tariff-based quota, set at 8% of domestic consumption in the first year. This means that imports exceeding the quota will continue to face a high-tariff barrier. **Questions and comments to news@cens.com c 2001 copyright China Economic News Service. All Rights Reserved.**

US to Deliver Soybean Assurance to China

The United States was set to deliver a safety certificate for biotech-derived soybeans to the Chinese government in hopes of paving the way for that Asian nation to resume buying the oilseeds, according to Reuters. The papers certify that U.S. biotech beans are no hazard to humans, animals or environment and have been so approved in the United States for the past six years. The action will help formalize an agreement reached in Shanghai during the Asia Pacific Economic Cooperation summit.

Japan 'Mad Cow' Case Hits U.S. Beef Exports

U.S. beef sales to Japan, the largest overseas buyer of U.S. beef, have dropped by about half since a single case of "mad cow" disease was confirmed there last month, and losses in U.S. beef exports could reach \$1 billion if the drop continues, the U.S. Meat Export Federation said. "What we are looking at this point in time is probably a 50% reduction in U.S. beef exports to that market," Phil Seng, USMEF president and chief executive, said in a conference call with reporters. Last year, the U.S. shipped about \$1.8 billion worth of beef and beef products to Japan, or about a third of all U.S. beef exports. Source: Reuters

UPCOMING EVENTS

California Department of Food & Agriculture's Sponsored Trade Events

CPMA 2002

January 30 – February 2, 2002 - Toronto, Ontario, Canada

Foodex 2002

March 12 – 15, 2002 - Tokyo, Japan *Only 4 booths left!*

ANTAD 2002

March 15 – 18, 2002 – Guadalajara, Mexico

Food and Hotel Asia

April 9 – 12, 2002, Singapore

2002 US Food Export Showcase

May 5 – 7, 2002, Chicago, Illinois, USA

Food and Hotel China

September 3 – 6, 2002, Shanghai, China

Turkey-Israel-Jordan Trade Days

January 13 – 21, 2002

Turkey, Israel & Jordan

Contact: Sherwin Pomerantz, American State Offices Assn.

Tel: 972-2-571-0199 Fax: 972-2-571-0199

ADDITIONAL TRADE EVENTS

Europe Nursery Activities

January 26 – February 7, 2002 Spain

Contact: Laura Barton, Oregon Department of Agriculture

Tel: 503-872-6600 Fax: 503-872-6601

US Food Showcase

March 18 – 19, 2002, Seoul, Korea

Contact: US Embassy – Seoul

Tel: 82-2-397-4188 Fax: 82-2-720-7921

2002 US Natural & Organic European Promotion

April 7 – 8, 2002, London, UK

Contact: Tim Larson, Colorado Department of Ag

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Secretary, William (Bill) Lyons, Jr.
 Undersecretary, Tad Bell
 Deputy Secretaries, Dan Webb, Valerie Brown
Agricultural Export Program Staff
 Elaine Trevino, Fred Klose,
 Joshua Eddy, Ken Brock,
 Suzanne Lashley, Beth Jensen,
 Machiko Watamori, Elisa Gonzales

TRADE ISSUES

Increased Inspection Fees of the USDA

The Food Safety and Inspection Service proposed increasing the fees that it charges meat and poultry establishments, egg products plants, importers and exporters for providing voluntary inspection services, overtime and holiday inspection services, identification services, certification services and laboratory services. These increases in fees reflect the national and locality pay raise for Federal employees (proposed 3.6 percent increase effective January 2002) and inflation. At this time, FSIS is not proposing to amend the fee for the Accredited Laboratory Program.

Canadian Mussels Sold at Less Than Fair Market Value

Live processed blue mussels from Canada are being sold, or are likely to be sold, in the US. at less than fair value, according to the preliminary determination of the International Trade Administration.

Canadian Tomatoes to be Sold Below Fair Market Value

The International Trade Administration, U.S. Department of Commerce announced on October 5 a Notice of Preliminary Determination of Sales at Less Than Fair Value on Greenhouse Tomatoes From Canada. The preliminary determination notes, "that greenhouse tomatoes from Canada are being, or are likely to be, sold in the United States at less-than-fair-value prices

Canada Agrees to Postpone New Labeling Regulations

The Canadian Food Inspection Agency (CFIA) has agreed to an extension to the compliance period for shippers to modify packaging material to remove all '5 A Day' logos from packaging. Instead of the target date of December 1, 2001, an extension has been granted to allow a period of time for companies to comply with existing Canadian labeling regulations. The new deadline is September 1, 2002.

WTO Meeting in Qatar

The World Trade Organization meeting in Doha, Qatar was scaled down because of the Sept. 11 terror attacks, but most countries still sent top officials. The meeting was aimed at agreeing on an agenda for a new round of global trade negotiations. Failure in Doha might spell the end of any hope for global talks in the foreseeable future, at just the time they are most needed, say proponents of opening up trade. Economies are in trouble around the world, and the WTO estimates growth in international trade will be less than 2 percent this year, compared with 12 percent in 2000.

MARKET UPDATES

EU Environment Ministers Urge Continued Biotech Ban

Contrary to the European Commission's hope for easing the EU's three-year biotech product moratorium, its environment ministers have urged continuance of the 1998 ban while endorsing a plan that all such derived foods already approved be labeled, according to an Oct. 29 AP report. Eleven such products were approved prior to the ban; 13 new ones await EU approval. Other reports note that some EU members want to wait until the proposed labeling and traceability requirement may be enacted.

MARKET UPDATES

Report On Canada Predicts Flat Sales In 2002

Sales at Canada's 64,000 restaurants, bars and caterers are expected to be flat in 2002 due to the economic aftershocks of the Sept. 11 terrorist attacks, according to a report from the Canada Restaurant and Foodservices Association (CRFA). The CRFA lowered estimates to nominal growth at 0.3 percent, down from 3.8 percent. Full-service restaurants would see sales growth ranging from 1.5 percent to -0.5 percent, the report said. Source: NRN.com

Higher Demand for Dried Fruit

Consumer demand for dried fruit continues to grow and 2001 looks like another good year for dates, with large quantities, high quality and good demand, according to grower-shippers, reported The Packer Online. Dried figs, like dates, are also benefiting from greater acceptance by chain stores and the general public and for grower-shippers, which means higher demand and prices.

France to Grow Organic

France has created a new agency dedicated to promoting and developing organic food and agriculture in the country, officials said. The semi-public "Agence Bio", comprising government officials and organic food producers and transformers, will help France reach its goal of producing organic food on one million hectares by 2005, the farm ministry said, reported Just-food.com.

Mexico becomes the 2nd main buyer of Argentinean dairy products

Mexico is becoming the second leading destination for Argentinean dairy products after Brazil. Between January and August this year, the demand of the Mexican market grew, reaching a 15% market share of external sales with 10,332 tons. Last year, this same market captured 5.5% of the Argentinean dairy exports. Argentinean dairy product exports to Brazil dropped from almost 70% in 2000 to 40% in 2001.

China Nervous About WTO Membership

The anticipated "invasion" of foreign businesses into China once that nation becomes a member of the World Trade Organization is "already causing anxiety among those who expect to be affected," reported The New York Times on the Web. China's 15-year effort to join the WTO now seems certain to happen by early 2002.

Australia to Waive Labeling Requirements for 1 year

At a recent meeting of the Australia/New Zealand Food Standards Council, Australian health ministers proposed a one-year waiver of labeling requirements for biotech foods, thus delaying the regulation until Dec. 7, 2002, if approved by the Council.

SPS/TBT NOTIFICATIONS AFFECTING AGRICULTURAL TRADE

Listed below are proposed changes in international agricultural, food and related standards as notified via the World Trade Organization. Interested parties may obtain a full text of any notification by faxing a request to Deborah A. Thompson, Food Safety & Technical Services Division in USDA/FAS at 202-690-0677.

Comment Deadline Date	FSTSD#	Product Covered	Country	WTO Type & #
12/11/01	01.0104	Designation of protected indigenous animals	Netherlands	TBT NLD/35
12/11/01	01.0105	Admin of possession & trade in protected animals & plants	Netherlands	TBT NLD/36
12/11/01	01.0106	Exemption from Ban on Possession	Netherlands	TBT NLD/37
12/14/01	01.0101	Labeling of Maize (corn)	Thailand	TBT THA/49
12/15/01	01.0095	Labeling – Animal products for human consumption	Korea	TBT KOR/23
12/18/01	01.0089	Potatoes	South Africa	TBT ZAF/9
12/18/01	01.0529	Food-contact Apparatus	Japan	SPS JPN/73
12/20/01	01.0542	Processed Foods in General	Australia	SPS AUS/134
12/26/01	01.0082.C1	Genetically Modified Food & Feed	European Union	TBT EEC/6/C1
12/26/01	01.0083.C1	GMO – Traceability & Labeling	European Union	TBT EEC/7/C1
01/09/02	01.0107	Processed Potato Foods – GMO	Japan	TBT JPN/26
None Listed	01.0459.A1	Pig Meat Products	New Zealand	SPS NZL/153/A
None Listed	01.0491	Flour & Bakery Products	Bahrain	SPS BHR/1
None Listed	01.0492	Refined & Pomace Olive Oils	Bahrain	SPS BHR/3
None Listed	01.0496	Pesticide – Myclobutanol	Canada	SPS CAN/119
None Listed	01.0280.R1	Maize (corn)	Thailand	SPS THA/55/Re
None Listed	01.0498	Maize (corn)	Thailand	SPS THA/69
None Listed	01.0500	Beef & Beef Products & Processed Beef	Bahrain	SPS BHR/2
None Listed	01.0504	Citrus – Propagative Material	Mexico	SPS MEX/173
None Listed	01.0499.C1	Milk & Milk Products	Thailand	SPS THA/70/Co
None Listed	01.0508	Plants, Products & By-products	Mexico	SPS MEX/172
None Listed	01.0510	Cattle, Sheep, Goats & Products	Phillipines	SPS PHL/33
None Listed	01.0518	Processed Animal Proteins (meat & bone)	Japan	SPS JPN/71
None Listed	01.0521	Milk & Milk Products	Thailand	SPS THA/72
None Listed	01.0010.A3	Beef & Beef Products	New Zealand	SPS NZL/77/Ad
None Listed	01.0096	Bottled Natural Mineral Water	Sri Lanka	TBT LKA/1
None Listed	01.0097	Pasta Products	Sri Lanka	TBT LKA/3
None Listed	01.0098	Rice Noodles (Rice Vermicelli)	Sri Lanka	TBT LKA/4
None Listed	01.0099	Milk Added Drinks	Sri Lanka	TBT LKA/6
None Listed	01.0100	Milk & Milk Products	Thailand	TBT THA/48
None Listed	01.0330.C1	Ungulates & Products	Slovenia	SPS SVN/8/C1
None Listed	01.0539	Meat & Meat Products	Thailand	SPS THA/73
None Listed	01.0102	Bottled Drinking Water	Sri Lanka	TBT LKA/5
None Listed	01.0543	US Wood Packing Material	Austria	SPS AUT/2
None Listed	01.0544	Cattle Farming: carcasses & cuts	Panama	SPS PAN/38
None Listed	01.0546	Animal Health Specifications	Mexico	SPS MEX/175
None Listed	01.0547	Processed Animal Proteins	Japan	SPS JPN/74
None Listed	01.0445.A1	Flavoring Substances	European Union	SPS EEC/132/A

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HAPPY THANKSGIVING!!
FROM THE AGRICULTURAL EXPORT PROGRAM

